VOLUME PRICING CONTRACT BETWEEN GARTNER, INCORPORATED AND THE STATE OF TEXAS,ACTING THROUGH THE DEPARTMENT OF INFORMATION RESOURCES

This Volume Pricing Contract is entered into between Gartner, Incorporated (Gartner) with its principal place of business at 56 Top Gallant Road, Stamford, Connecticut 06904, and the State of Texas, acting through the Department of Information Resources (DIR), with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, on behalf of state agencies as defined in §2054.003, Texas Government Code, including institutions of higher education as defined in §61.003, Texas Education Code, and local governments as defined in §791.003, Texas Government Code (Customers). Specific Gartner quotation and acceptance forms (Quote Form), signed on behalf of Gartner and DIR Customers, which may be subsequently amended and supplemented, are incorporated and made a part of this Volume Pricing Contract (Contract). This Contract shall become effective upon execution and will remain in full force and effect through August 31, 2003. At DIR's option this Contract may be extended for one additional two-year term.

I. Deliverables

Under this Contract, Gartner will provide services and/or materials (Deliverables) listed in Gartner's catalogue on file with the General Services Commission (GSC) and in Exhibit 1, Subscription Services and Exhibit 2, TruSecure Consulting Services to DIR and/or its Customers. The Deliverables shall be provided in exchange for payments indicated on the Quote Form, subject to the terms and provisions in this Contract. DIR and/or its Customers assume sole responsibility for selecting a subset of available Deliverables to achieve the intended results, and for the use made and results obtained. The fees paid hereunder reflect this allocation of responsibility and risk.

II. Permitted Use

Only employees of DIR and/or its Customers may use the Gartner Deliverables. Deliverables may not be disclosed, disseminated, or distributed to any other party without Gartner's prior written consent. Reproduction of content for occasional internal use by DIR and/or its Customers is permitted. In the event a Customer is merged with another Customer, all rights and responsibilities under this Contract and supplements thereto shall continue in full force and effect. Customer shall notify Gartner and DIR of any changes in physical location, address, and telephone numbers.

III. Terms

The Deliverables will be provided for the term as designated on the Quote Form. If either DIR and/or its Customers or Gartner breaches any term or provision of this Contract and fails to remedy such breach within thirty days following written notice of such breach, the other party may terminate this Contract with respect to the breaching party. The entire Contract may only be terminated if DIR fails to cure a breach in accordance with this Section III. In the event of termination of the Contract for breach, DIR will be entitled to a prorated refund of any prepayments made for Deliverables scheduled for delivery after the date of termination.

IV. Pricing

The prices to Customers and DIR under this Contract are defined in Exhibits 1 and 2, and shall be the lowest prices offered by Gartner to any Texas State or local government under similar Contract terms and conditions. For large orders through the Contract, Gartner and a Customer may negotiate quantity price discounts below the DIR pricing. From time to time, Gartner may offer other discounts for Customers (e.g., announced promotion prices or similar discount pricing) through this Contract. Gartner agrees that any prices quoted to DIR Customers under this Contract shall include DIR's administrative fee, which DIR may change upward or downward during the term of the Contract upon written notice to Gartner. In the event Gartner quotes a price that does not include DIR's administrative fee and the Customer pays the quoted price, Gartner shall reduce its invoice to DIR by the administrative fee that should have been part of the quoted price. Prices will not increase during the Contract term and will include shipping and handling. Price increases, if any, will be submitted upon contract extension. Any contact between Gartner and a potential customer must include disclosure that the services offered are available to the customer through this Contract.

V. Invoicing

Customers' orders will be processed as follows:

- a. Customer will contact Gartner for a software and/or services quote. This quote will include the following: Customer entity, contact name, address, telephone number, product information and price as specified in Exhibits 1 and 2 as Customer Price, and estimated delivery date;
- b. Customer will send the following to DIR by fax to 512/475-4707:
 - Requests for services under Exhibit 1 shall include the Gartner quote and a purchase order payable to DIR.
 - Requests for services under Exhibit 2 shall include the statement of work signed by the Customer and TruSecure, a purchase order payable to DIR, and evidence satisfactory to DIR that:
 Subchapter B of Chapter 2254, Texas Government Code, is inapplicable to the services being requested; or
 - 2.) Customer has complied with the requirements of Subchapter B of Chapter 2254, Texas Government Code with respect to requested services.
- c. Upon receipt of all necessary paperwork DIR will send the quote form to Gartner via fax or electronic mail with written confirmation of DIR's acceptance of the order and the DIR control number;
- d. Gartner will provide software and/or services to the Customer, and:
- e. Gartner will invoice DIR for the order at the price specified in Exhibits 1 and 2 as the DIR Price.

VI. Payment

Gartner will invoice DIR and DIR agrees to pay within thirty (30) days of receiving correct invoices from Gartner. Gartner will provide the appropriate documents to DIR to utilize Electronic Funds Transfer for payment of invoices. Payments to Gartner will be in accordance with Chapter 2251, Texas Government Code.

VII. Termination for Convenience

At any time, either DIR or Gartner may terminate this Contract, in whole or in part, by giving the other party thirty (30) days written notice. The provisions of this Contract shall survive its termination with respect to Customers having an unexpired purchase order with Gartner.

VIII. Termination for Non-appropriation

In the event that no funds or insufficient funds are appropriated to a governmental entity for payments to be made under this Contract, DIR may, upon thirty days written notice, terminate that Customer's Quote Form. The Customer's liability shall be to pay for Software or Services already provided by Gartner.

IX. Records and Audit

Gartner shall maintain adequate records to establish compliance with this Contract until the later of a period of four years after termination of this Contract or until full, final and unappealable resolution of all audit or litigation issues that arise under this Contract. Gartner shall grant access to all paper and electronic records, books, documents, accounting procedures, practices and any other items relevant to the performance of this Contract to DIR, DIR's designated auditors, including auditors of the State Auditors' Office and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, auditing and/or copying such books and records. Gartner shall provide copies and printouts that DIR requests without charge and Gartner's records, whether paper or electronic, shall be made available during regular office hours.

X. Technology Access

- a. Per §2157.005, Texas Government Code, Gartner expressly acknowledges and agrees that State funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, Gartner represents and warrants to DIR and each Customer purchasing products under this Contract that the technology provided hereunder is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology of: (1) providing equivalent access for effective use by both visual and nonvisual means; (2) presenting information, including prompts used for interactive communications, in formats intended for nonvisual use; and (3) being integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired. For purposes of this section, the phrase "equivalent access" means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays and customizable display appearance.
- b. Non-Compliance with Technology Access Clause: Remedies. DIR and/or Customer hereby agree to provide prompt written notice of any claim of non-compliance, and to allow Vendor a reasonable time to cure such non-compliance. Vendor's only obligation and Customer's sole remedy for failure of any product(s) to comply to the above stated warranty, is to use commercially reasonable efforts to repair or replace non-compliant product(s) with product(s) that do conform. If the product(s) can not be made equivalently accessible by the visually impaired using features incorporated within the product(s) or by some other reasonable means, Vendor accepts the obligation to pay, as a commercially reasonable effort, the costs of reasonable accommodations under the Technology Access Clause. In no event, however, will the amount paid exceed the license fee paid for the product(s) being used by the affected individuals.

XI. Rights

Ownership of all copyrights and other proprietary rights are retained by Gartner and/or its licensors or third party providers. DIR grants Gartner permission to use its name in Gartner's client list, but such use shall not indicate endorsement of Deliverables by DIR or its Customers

XII. Severability

If any provision(s) of this Contract are held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect. The parties shall use their best efforts to replace the provision(s) of the Contract found to be invalid, illegal or unenforceable with legal terms and conditions approximating the original intent of the parties.

XIII. Warranty Disclaimer

All Services are provided on an "as is" basis. Gartner expressly disclaims all warranties, express or implied, statutory or otherwise, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose, and warranties as to accuracy, completeness or adequacy of information. The information in the services has been obtained from sources that Gartner believes to be reliable. All services speak as of the publication date and Gartner does not undertake to advise client of any change in the information or views contained therein. The services are intended solely as a research tool and may reflect one or a limited number of perspectives that may not be shared by other industry experts, and are not meant as specific guides to action. The services should not solely be relied on by client, and client agrees not to rely solely on the services for decision making purposes. Gartner and its licensors do not warrant that the functions contained in the programs will meet client requirements, or that the operation of the programs will be uninterrupted or error free. Notwithstanding the foregoing, if client acquires services on disk, Gartner warrants that the disk will be free from defects in materials and workmanship under normal use for a period of 90 days from the date of delivery to client.

XIV. Limitation of Liability

Gartner's total liability arising out of this agreement and the services under all theories of liability shall be limited to the fee paid by client for such services. In no event will Gartner or its licensors be liable for any errors, omissions or inadequacies in the services or for interpretations thereof. Gartner and its subsidiaries and licensors shall not be liable for consequential, indirect, special or incidental damages, such as damages for lost profits, business failure or loss, arising out of use of the services, whether or not Gartner has been advised of the possibility of such damages.

XV. Vendor Certifications

By accepting the terms of this Contract Gartner certifies that:

- a. Gartner has not given, offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract;
- b. Gartner is not currently delinquent in the payment of any franchise tax owed the State of Texas and is not ineligible to receive payment under §231.006, Family Code and acknowledges this Contract may be terminated and payment withheld if this certification is inaccurate;
- c. To the best of its knowledge, neither Gartner, nor anyone acting for it, has violated the antitrust laws of the United States or the State of Texas in connection with this Contract, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage in connection with this Contract;
- d. Gartner has not received payment from DIR and/or Customers or any of their employees for participating in the preparation of this Contract;
- e. During the term of this Contract, Gartner will not discriminate unlawfully against any employee or applicant and that, upon request, it will furnish information regarding its nondiscriminatory hiring and promotion policies;

- f. Gartner is currently a Qualified Information Systems Vendor (QISV);
- g. The Information Resource Technology available through this Contract is contained in Gartner's catalogue on file with the General Services Commission;
- h. Gartner is an entity authorized and validly existing under the laws of its state of organization, is authorized to do business in Texas, and is not in default as to taxes owed to the State of Texas or any of its political subdivisions;
- i. This Contract has been duly authorized, executed and delivered by Gartner and constitutes the valid, legal and binding agreement of Gartner, enforceable in accordance with its terms; and
- j. To the best of Gartner's knowledge and belief, there are no suits or proceedings pending or threatened against or affecting Gartner, which if determined adversely to Gartner will have a material adverse effect on Gartner's ability to fulfill its obligations under this Contract.

XVI. Legal Notice

All legal notices and legal communications sent pursuant to this Contract shall be in writing and sent by registered or certified mail, postage prepaid, return receipt requested, to the parties at their respective addresses as set out below or to such other address as either party may specify by written notice to the other.

If sent to DIR:

Patrick W. Hogan, Director of Business Operations Department of Information Resources 300 West 15th Street, Suite 1300 Austin, Texas 78701-3564 With a required copy to: General Counsel

If sent to Gartner:

Francis T. Murphy, Director, Government Contracts Gartner, Inc. – Public Sector Operations 8405 Greensboro Drive, - 6th Floor McLean, VA 22102 Phone: (703)226-4800 Fax: (703)226-4703

XVII. Applicable Law

This Contract shall be governed by and construed under Texas law without reference to conflict of law principles. Any cause of action arising from this Contract shall be filed in Travis County, Texas.

XVIII. Alternative Dispute Resolution

The dispute resolution process provided by Chapter 2260, Texas Government Code, shall be used, to attempt to resolve any disputes not resolved in the ordinary course of business. Dispute resolution shall be in accordance with rules adopted by DIR and/or the Customer or, if no such rules have been adopted, in accordance with rules adopted by the Attorney General of Texas pursuant to §2260.052, Texas Government Code. Neither the occurrence of an event giving rise to a claim under Chapter 2260, Texas Government Code, nor the pendency of a claim under Chapter 2260, Texas Government Code, constitutes grounds for the suspension of performance under the Contract, in whole or in part, by Gartner, or in payment for those goods and services not in dispute.

XIX. Application of Payments to Satisfy Outstanding Debt or Taxes Owed the State of Texas

Gartner acknowledges and agrees that, to the extent Gartner owes any debt or delinquent taxes to the State of Texas, in accordance with §403.055(h), Texas Government Code, any payments Gartner is owed under this Contract or any Supplement hereto will be applied by the Comptroller of Public Accounts toward any debt or delinquent taxes Gartner owes the State of Texas until the debt or delinquent taxes are paid in full.

XX. Trade Show Participation

Gartner understands and agrees that it must participate fully by providing a staffed booth display or similar presence at no less than two trade shows or similar functions sponsored by DIR each calendar year, at Gartner's expense. Gartner agrees to display the DIR logo at all trade shows directed toward entities that qualify as DIR customers.

XXI. DIR Logo

Gartner may use the DIR logo to promote this Contract to Customers with the following stipulations:

- a. The logo may not be modified in any way;
- b. When displayed, the size of the DIR logo must be equal to or smaller than the Gartner logo;
- c. The sole use of the DIR logo will be to communicate the Deliverables available under this Contract to Customers; and
- d. Any other use of the DIR logo requires prior written permission from DIR.

XXII. Marketing

All marketing materials must be approved by DIR in advance. Gartner agrees to develop a statewide marketing press release announcing the Contract with DIR, which will correspond with the execution of the Contract. DIR may use Gartner's name and logo in the promotion of this Contract to Customers to communicate the availability of Deliverables under this Contract to Customers. Use of this logo may be on the DIR website or on printed materials.

IN WITNESS WHEREOF, Gartner and DIR have executed and delivered this Contract, effective as of the date of the last signature below.

GARTNER, INCORPORATED

Name: Frank Murphy

Title: Director, Government Contracts

THE STATE OF TEXAS, acting through the DEPARTMENT OF INFORMATION RESOURCES

Patrick W. Hogan Director of Business Operations

Legal:

EXHIBIT ONE SUBSCRIPTION SERVICES

The services to be provided under this Contract are membership and access to Gartner's research library as contained in Gartner's RAS, Datapro, and Dataquest libraries delivered via Gartner's interactive web site. If the names of the services are changed or the service offerings are reorganized, the Customer will continue to receive the same level of access for the duration of the Contract at no additional cost. These services are available only to named users, identified by a User ID. Customers may change the named users during the contract term as long as the number of users with access does not exceed the number specified in this Contract.

Reference User and Advisor User

There are two types of users. Both Reference Users and Advisor Users are entitled to access RAS, Datapro, and Dataquest information as follows:

Research and Advisory Services (RAS)

Comprehensive resource for long-term, strategic advice on information technology (IT). Mapped to specific business issues, bottom-line analysis is combined with Gartner's in-depth knowledge of technology. It allows access to all of Gartner's research areas of expertise, backed by rigorous methodologies, peer review and focused analysis:

- ♦ Applications Development
- ♦ Customer Relationship Management
- ◆ Distributed Computing
- ♦ Electronic Workplace
- ♦ Enterprise Operations
- ERP and Supply Chain Management
- ◆ IT Asset Management
- ♦ IT Management
- ♦ Networking

Deliverables

- ♦ Research Notes: Continuous Bottom-Line Advice
- Periodic Strategic Analysis Reports (SARs)

Datapro

Instrumental in the planning and implementation stages, Datapro IT Continuous Services provide worldwide information and insights that clients need to understand the technologies driving computer systems, communications, and software, and to evaluate specific products against current business needs. Datapro services deliver tactical analysis, data, and reliable, unbiased product information to optimize product planning and individual needs assessment and allow you to:

- ♦ Identify the products on the market that meet your organization's needs
- Analyze or understand product specifications in a comparable format
- ♦ Evaluate key vendors
- ♦ Understand how different technologies fit into and affect your enterprise
- Determine how particular products are viewed by current users

Deliverables

- ◆ Product and technology overviews
- ♦ Product reports
- ♦ Comparison columns
- ♦ User ratings surveys
- Operational management reports
- Vendor reports

Dataquest

Dataquest provides market-share data, market growth projections, and technology, competitive and industry trends analysis for more than 150 information technology market segments. IT manufacturers, service providers, and investors use Gartner's research to make successful planning and investment decisions. Dataquest's products and programs cover all aspects of IT, including:

- Computer systems and peripherals
- ♦ Internet, multimedia and software
- ♦ IT services
- ♦ Document management
- ♦ Semiconductors
- Telecommunications and networking
- ♦ Demand-side research

Deliverables

- ♦ NewsTakes
- ♦ Alerts
- ♦ Perspectives

Gartner Symposium Ticket

Tickets to Gartner Symposiums are available to Customers at a 30% discount from the Gartner client prices advertised on the Gartner interactive web site.

Surveys

If, at Gartner's request, the Customer contributes feedback to a Gartner survey, the Customer, upon request to Gartner, will receive the complete, published survey report at no additional cost.

Advisor User

In addition to the above, the Advisor User is entitled to the following:

Telephone Consultation via Gartner Quickpath

This allows customization of information to each organization's needs. This may include discussing strategy development, architecture development, acquisition decisions, vendor analysis, implementation planning, and contract negotiations.

Gartner Quickpath

Gartner Quickpath is a hot line for client access to Gartner research and resources to facilitate the inquiry process for Gartner clients. There are three ways in which this is accomplished:

• Directing inquiries to the most appropriate analyst to focus the best available Gartner resource on your question.

- ♦ Managing time-sensitive inquiries when you have an urgent need for information. All calls are logged, tracked and either passed to an analyst or answered with available resources.
- Providing a library service for accessing Gartner and other publicly available information. Gartner Direct can suggest available Gartner research as well as additional material.

Audioconferences

These are monthly-prearranged conference calls on specific topics of interest. Participants receive notice of time and subject matter two to three weeks before conference call.

Theme Ticket

Each Advisor User is eligible for one theme ticket for admission to conferences that Gartner conducts from time to time. Each Advisor User has the right to transfer the ticket to another staff member within the Advisor User's agency.

Price

Gartner may adjust the subscription price as outlined below after the initial term of this Contract for new Customers and Customers whose contracts expire on or after the effective date of the price change. Any such price adjustment will occur renewal and upon any extension thereof. Gartner shall advise DIR in writing 30 days prior to the effective date of any price change. User fees will be based on an aggregated number of users as shown below:

For 55 users or fewer, prices will be as follows:

Type of User	DIR Annual Price	Customer Annual Price
Advisor	\$8,624.00	\$8,800.00
Reference	\$4,930.00	\$5,030.00

For 56 to 114 users, prices are as follows:

Type of User	DIR Annual Price	Customer Annual Price
Advisor	\$7,647.00	\$7,800.00
Reference	\$4,049.00	\$4,130.00

For 115 users or more, prices are as follows:

Type of User	DIR Annual Price	Customer Annual Price
Advisor	\$6,860.00	\$7,000.00
Reference	\$3,430.00	\$3,500.00

Prepayment Discount

Prices shown for subscription services (above) are for an annual subscription to Gartner services and payment is due at the beginning of the subscription year. Subscriptions are for a two-year period for new users. If an organization elects to pay for the full two year subscription with a single payment at the beginning of the subscription period, that organization shall be entitled to a discount of 5% (five percent) of the total subscription fee. If a customer elects to terminate an order for convenience or non-funding purposes as outlined in Sections VII and/or VIII, where a 5% prepayment discount was extended, Gartner will adjust the amount of any refund due to reflect the difference between the discounted price and the annual price shown above for the accrued portion of the contract term.

Timely Response

Gartner agrees to respond to each Customer's information requests within an average of 48 hours (2 business days) of receiving the request with a timeline for expected completion and a list of potential analysts, unless a different response time is agreed to by Gartner and the Customer, by written memorandum.

EXHIBIT TWO TRUSECURE INFORMATION SECURITY SERVICES

To Be Completed



DIR CONTRACT NO. DIR-VPC-02-003

DEPARTMENT OF INFORMATION RESOURCES AMENDMENT NUMBER 1

TO VOLUME PRICING CONTRACT BETWEEN DIR AND GARTNER

THIS AMENDMENT NUMBER 1 (Amendment) to the Volume Pricing Contract (Contract) is entered into between Gartner, Incorporated (Gartner) and the Department of Information Resources (DIR), an agency of the State of Texas. DIR and Gartner entered into a Contract through August 31, 2003 to provide services and /or materials to DIR and/or its customers. DIR and Gartner enter into this Amendment to replace the current Exhibit 2.

It is agreed as follows:

- 1. Effective the date of the last signature on this amendment, the attached Exhibit 2, TruSecure Information Security Services For Tarrant County Only, shall supersede and replace the Exhibit 2 previously included under the Contract.
- 2. Except as provided in this Amendment, all other terms, conditions, and provisions of the Contract shall continue in full force and effect as provided therein.

IN WITNESS WHEREOF, the Parties to this Amendment have executed this Amendment through the signatures of their duly authorized representatives.

GARTNER, INCORPORATED

Name: FRAUCIS T MYRAHY

Title: AUECTOR GOVERNMENT CONTINCES

THE STATE OF TEXAS, acting through the DEPARTMENT OF INFORMATION RESOURCES

Patrick W. Hogan

Director of Business Operations

Legal:

EXHIBIT TWO TRUSECURE INFORMATION SECURITY SERVICES FOR TARRANT COUNTY ONLY

Under this Contract Gartner will provide TruSecure Corporation's fixed fee, annual network security product certification, research, and customer support services to Tarrant County.

TruSecure Enterprise 2001

The TruSecure Enterprise 2001 product is a suite of services to assess a customer's information security posture and provide the information resources necessary to improve your security and reduce business risks. A complete proposal and statement of work will be provided for customer review. Services included are:

- Continuous risk assessment of Customer's network perimeter, intranet, and desktops to ensure sound security posture and validate compliance with essential practices.
- ♦ Ad hoc network testing to determine exposure to emerging risks.
- Support for Customer's security-related initiatives, providing insight/advice on specific technologies.
- Access to web-based Enterprise Risk Manager console, which provides analysis of security posture and allows central management of enterprise-wide information security program.
- Certification seal, upon successful compliance with essential practices, validating that compliance and providing evidence of an ongoing information security program.
- ◆ Performance guarantee of \$20,000 per incident up to a maximum of \$250,000.

Price

The subscription fees are 5% less than TruSecure's list price plus DIR's 2% administrative fee. For Tarrant County prices are:

TruSecure Enterprise:	Year one	\$96,803
	Year two	\$94,839
	Year three	\$92,883
Additional on-site analys	t support per day	\$2,422

AMENDMENT NUMBER 2 TO VOLUME PRICING CONTRACT BETWEEN DIR AND GARTNER

THIS AMENDMENT NUMBER 2 (Amendment) to the Volume Pricing Contract (Contract) is entered into between Gartner, Incorporated (Garter), and the Department of Information Resources (DIR), an agency of the State of Texas.

The parties agree that TruSecure Consulting Services, previously offered through this Contract, are available under this Contract only to Tarrant County.

Therefore, it is agreed that the Deliverables section (§I.) is amended to read as follows:

I. Deliverables

Under this Contract, Gartner will provide services and/or materials (Deliverables) listed in Gartner's catalogue on file with the Building and Procurement Commission (formerly General Services Commission) and in Exhibit 1, Subscription Services to DIR and/or its Customers, and listed in Exhibit 2, TruSecure Consulting Services For Tarrant County Only. The Deliverables shall be provided in exchange for payments indicated on the Quote Form, subject to the terms and provisions in this Contract. DIR and/or its Customers assume sole responsibility for selecting a subset of available Deliverables to achieve the intended results, and for the use made and results obtained. The fees paid hereunder reflect this allocation of responsibility and risk.

Except to the extent amended, all other Contract terms and conditions shall remain unmodified and continue in full force and effect.

IN WITNESS WHEREOF, the parties to this Amendment have executed this Amendment through the signatures of their duly authorized representatives.

GARTNER, INC.	THE STATE OF TEXAS, acting through the
	DEPARTMENT OF INFORMATION RESOURCES
By: Fram 7. buyly	By Satish W Abogan
Printed Name: FRANCIS T. MULLAN	Printed Name: Patrick W. Hogan
Title: DIRECTOR GOVELUMENT CONTRACT	Title: <u>Director of Business Operation</u>
Date: 9/28/01	Date: 9-20-01
•	DIR Legal:

Amendment Number 3 to Volume Pricing Contract VPC-02-003 between Gartner Group, Inc. and the State of Texas, acting by and through the Department of Information Resources

THIS AMENDMENT NUMBER 3 (Amendment) is hereby affixed to and shall become a part of Volume Pricing Contract Number DIR-VPC-02-003 (Contract), entered into between the State of Texas, acting by and through the Department of Information Resources (DIR) and Gartner Group, Inc. (Gartner). This Amendment Number 3, as incorporated into the Contract, is subject to all terms, conditions, restrictions and limitations contained in the Contract not in conflict with this Amendment including the limitation of liability provision. The Contract is hereby modified as follows:

- 1. The Contract is hereby extended through the period ending August 31, 2005, or until terminated pursuant to the termination clauses contained in the Contract.
- 2. Terms used in this Contract shall have the following meanings:
 - A. Administrative Fee the fee used to defray DIR's cost of negotiating, executing and administering this contract.
 - B. **Purchase Order** the Customer's fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).
 - C. **Information Resources Technology (Technologies)** as defined in Texas Government Code §2054.003.
- 3. Section I is hereby restated as follows:

I. Deliverables

- A. In General. Under this Contract, Gartner will provide DIR and/or its Customers the services and/or materials (Deliverables) listed in Gartner's catalog on file with the Texas Building and Procurement Commission, as set forth in Exhibit 1, Subscriptions Services for DIR and/or its Customers, Exhibit 2, TruSecure Consulting Services for Tarrant County Only, and Exhibit 3, Other Services as attached hereto. The Deliverables shall be provided in exchange for payments indicated on the Quote Form, subject to the terms and provisions in this Contract. Under no circumstances shall DIR be responsible for the performance by a Customer under a purchase Order issued pursuant to this Contract, unless DIR becomes a Customer by issuing one of its Purchase Orders. Each Customer hereunder is solely responsible for its selection of the available Deliverables to achieve the intended results and for the use made and results obtained. The fees paid hereunder reflect this allocation of responsibility and risk.
- B. No Quantity Guarantees. This Contract is not exclusive to Gartner. Customers may obtain Information Resource Technologies from other sources during the Contract term. DIR makes no express or implied warranties whatsoever that any particular number of Purchase Orders will be issued or that any particular quantity or dollar amount of Information Resources Technologies will be procured through the Contract.

- C. Limitation on Use of Exhibit 3 Services by State-agency Customers. State-agency Customers shall make an independent determination of whether selection of Exhibit 3 services requires compliance with Subchapter B, Chapter 2254, Government Code. Exhibit 3 services shall only be offered to, and Purchase Orders accepted from state-agency Customers that have complied with Subchapter B, Chapter 2254, Government Code; or that have deemed Subchapter B, Chapter 2254, Government Code inapplicable in writing. Copies of the applicable Chapter 2254 documents must accompany Customer Purchase Orders. Gartner may rely on the contents of such documents to fulfill an order. DIR has no responsibility for determinations made by state-agency Customers under this paragraph.
- 4. Section IV, first sentence is amended to read as follows: The prices to Customers and DIR under this Contract are defined in Exhibits 1, 2 and 3, and shall be the lowest prices offered by Gartner to any Texas state or local government under similar Contract terms and conditions.
- 5. Section V is hereby restated as follows:

V. Order Placement and Invoicing

Customers' orders will be processed as follows:

- a. Customer will contact Gartner to obtain a quote for services and/or materials. This quote will contain the following information: Customer name, contact, address, phone number, and product and pricing information as specified in Exhibits 1, 2 or 3 as applicable.
- b. Prices quoted to the Customer shall include the applicable DIR administrative fee, which shall not be broken out as a separate line item. Prices to the Customer under this Contract includes all shipping and handling fees for materials, if applicable. Shipments will be F.O.B. Customer's destination. No additional fees shall be charged to the Customer for standard shipping and handling. If the Customer requests expedited delivery, Customer shall be responsible for any charges for expedited delivery.
- c. Customer will submit the following to DIR:
 - Requests for services under Exhibit 1 shall include the Gartner quote form, along with a Purchase Order made payable to Department of Information Resources.
 - Requests for services under Exhibit 2 shall include the statement of work signed by the Customer and TruSecure, a Purchase Order payable to Department of Information Resources, and evidence satisfactory to DIR that:
 - 1. Subchapter B of Chapter 2254, Texas Government Code, is inapplicable to the services being requested, or
 - 2. Customer has complied with the requirements of Subchapter B of Chapter 2254, Texas Government Code with respect to the services being requested.
 - Requests for service under Exhibit 3 shall include the Gartner quote form for the specific service, accompanied by a Purchase Order payable to Department of Information Resources, and written documentation that:
 - 1. Subchapter B of Chapter 2254, Texas Government Code, is inapplicable to the services being requested, or
 - 2. Customer has complied with the requirements of Subchapter B of Chapter 2254, Texas Government Code with respect to the services being requested.

- d. Upon receipt of all necessary paperwork from the Customer, DIR will send the order to Gartner via fax or electronic mail with written confirmation of DIR's acceptance of the order and the DIR control number. Accurate Customer orders shall be effective and binding upon Gartner when accepted by Gartner prior to the termination of this Contract.
- e. Gartner will provide services and/or materials to the Customer.
- f. Gartner shall submit invoices to DIR at the DIR Price specified in Exhibits 1, 2 and 3, in compliance with Chapter 2251, Texas Government Code. Invoices must be timely and accurate. Each invoice must match the Customer's order and include any written changes that may apply. Invoices must include the Customer's Purchase Order number or other pertinent information for verifying receipt of the order by Customer. As per Section 151.309, Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 USC Secs. 4253(i) and (j).
- g. DIR shall make payments to Gartner for services and/or materials purchased under this Contract and any provision of acceptance of such services and/or materials, in compliance with Chapter 2251, Texas Government Code.
- 6. Section VI is deleted from the Contract.
- 7. Section IX, a second paragraph is added as follows:

Vendor understands that acceptance of funds under this Contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Vendor further agrees to cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Vendor and the requirement to cooperate is included in any subcontract it awards pertaining to this Contract. Vendor will reimburse the State of Texas for all costs associated with enforcing this provision.

8. Section X is hereby restated as follows:

X. Technology Access Clause, as required by §2157.005, Texas Government Code (Applicable to State Agency Purchases Only)

Vendor expressly acknowledges and agrees that State funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, the Vendor represents and warrants to DIR and each Customer purchasing products under this Contract that the technology provided hereunder is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology of: (i) providing equivalent access for effective use by both visual and non-visual means; (ii) presenting information, including prompts used for interactive communications, in formats intended for both visual and non-visual use; and (iii) being integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired. For the purposes of this section, the phrase "equivalent access means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services that would constitute reasonable

accommodations under the Americans with Disabilities Act or similar state or federal laws. Examples, of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical display and customizable display appearance.

9. XV is hereby restated as follows:

XV. Vendor Certifications

Gartner certifies (i) it has not given, offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract; (ii) it is not currently delinquent in the payment of any franchise tax owed the State of Texas and is not ineligible to receive payment under §231.006 of the Texas Family Code and acknowledges this Contract may be terminated and payment withheld if this certification is inaccurate; (iii) neither it, nor anyone acting for it, has violated the antitrust laws of the United States or the State of Texas, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage; (iv) it has not received payment from DIR or any of its employees for participating in the preparation of this Contract; (v) it is not ineligible to receive this Contract under § 2155.004, Texas Government Code; (vi) it is in compliance with §618.003, Texas Government Code; (vii) it will comply with §2155.444 and §2155.4441, Texas Government Code, in fulfilling the terms of this Contract; and (viii) to the best of the Gartner's knowledge and belief, there are no suits or proceedings pending or threatened against or affecting Gartner, which if determined adversely to the Vendor will have a material adverse effect on the ability of Gartner to fulfill its obligations under this Contract.

10. Section XVII is hereby restated as follows:

XVII. Applicable Law

This Contract shall be governed by and construed under Texas law without reference to conflict of law principles. Nothing herein shall be construed to waive the sovereign immunity of the State of Texas.

- 11. Section XIX is deleted from the Contract.
- 12. Section XX is hereby restated as follows:

XX. Trade Show Participation

Vendor understands and agrees that it must participate by providing a manned booth display or similar presence at no less than two (2) trade shows or similar functions sponsored by DIR Business Operations Division each calendar year at the Vendor's expense. Vendor must display the DIR logo at all trade shows. DIR reserves the right to approve or disapprove of the location of the use of the DIR logo in or on the Vendor's booth.

13. New sections XXIII - XXVI are as follows:

XXIII. Confidentiality Clause

Gartner acknowledges that DIR is a government agency subject to the Texas Public Information Act. Gartner also acknowledges that DIR will comply with the Public Information Act, and with all opinions of the Texas Attorney General's office concerning this Act. Under the terms of this Contract, DIR may provide Gartner with information related to Customers. Gartner shall not re-sell or otherwise distribute or release to any party in any manner, Customer information.

XXIV. Ability to Conduct Business in Texas

Gartner is an entity authorized and validly existing under the laws of its state of organization, and is authorized to do business in the State of Texas. Gartner is a "Catalog Information Systems Vendor" as defined in §2157.001, Texas Government Code. All services and materials offered to Customers under this Contract are listed in Gartner's catalogue on file with the Texas Building and Procurement Commission.

XXV. Handling of Written Complaints

In addition to other remedies contained in this Contract, a person contracting with DIR may direct their written complaints to the following office:

Public Information Office Department of Information Resources 300 W. 15th Street, Suite 1300 Austin, Texas 78701 Telephone: (512) 475-4700

Fax: (512) 475-4759

XXVI. Non-assignment

This Contract shall be entered into and be binding upon the successors of the parties. Gartner may not assign the Contract without the prior written consent of DIR. DIR may assign or transfer this Contract to a successor state agency legislatively mandated to provide the duties currently assigned to DIR without the prior written consent of Gartner.

14. All other terms and conditions of the Contract not specifically amended herein shall remain in full force and effect. In the event of conflict among provisions of the documents, the order of precedence shall be the Third Amendment, Second Amendment, First Amendment, and the Contract. This Amendment Number 3 is executed to be effective as of the date of the last party to sign.

Gartner Inc.	State of Texas, acting by and through the Department of Information Resources
Authorized Signature Francis T. Murphy Director, Government Contracts Printed Name	Patrick W. Hogan Director, Business Operations
Title 8/L9 / 03 Date	Date Legal: A Date

EXHIBIT THREE OTHER SERVICES

1. Executive Program Memberships

Membership in Gartner's Executive Programs is open to executives at the CIO level and above. There are two types of programs, the Premier Memberships and the Club Memberships. Both of the programs are designed to deliver benefit to the interested executive who wants answers and options but is too busy to search and collect the necessary research. Each program member is assigned to a Gartner employee who becomes familiar with the executive's business issues and acts as a research assistant.

The Premier Level Membership

DIR Customer Price \$30,350 DIR Price \$29,743

EXP Premier is a new offering from Executive Programs (EXP), designed and tailored specifically for the technology-focused CIO as a replacement for ITEP. Every CIO is unique. Which is why we provide a service that is defined by each individual, and molded to their needs. EXP Premier is the ultimate Swiss Army knife for the CIO. It's a one-stop-shop; a comprehensive, definitive resource that will provide them with exclusive analysis and reports, personalized access to Gartner research specialists, inspirational roundtables, and a variety of networking events. Peer relationships with government and private industry CIO's are conducted twice each year and facilitate the exchange of best practices.

Deliverables

Six technology-management-related reports a year, containing unique, exclusive research.

Talking Technology and Talking Business audio programs.

Access to a dedicated program team, providing a single interface for all research needs.

Personally scheduled access to analysts from the program.

"Reference Level" access to all research via Gartner Interactive.

Roundtable meetings for insight, discussion and networking with peers.

Entry to Gartner symposia with VIP status.

Snaps on: additional report sets for the CIO/CTO's team or business colleagues.

Snap on: People³ annual compensation series

The Club Level Membership

Customer Price \$52,100 DIR Price \$51,058

Newly designed, EXP Club is an intended to attract the more business-focused CIO who has an eye on technology but is more focused on the role of the IT function in the business.

Deliverables

Ten exclusive research reports a year, covering "Big Ideas," frameworks for thinking, and some technology watching. Talking Technology and Talking Business audio programs.

People³ annual compensation series.

Access to a dedicated VIP program team, providing a single interface for all research needs.

Personally scheduled access to analysts by an executive PD.

Reference-level access to all research via Gartner Interactive.

An annual global CIO event, open to CIOs by invitation only.

On-site briefings for the team and local roundtables.

Entry to Gartner symposia with VIP status.

Snaps on: additional report sets for the CIO/CTO's team or business colleagues.

2. Gartner Core Research for Education Institutions and EDUCAUSE Members

Gartner Research is also available for a flat annual fee to Texas public educational institutions and community colleges based on the size of the campus. The Reference level of research as described in Exhibit 1 is available to students and faculty of the institution and is delivered to the institution via gartner.com. The institution is responsible for providing authentication for accessing the research for Reference users. Advisor level users have access to Gartner.com as described in Exhibit 1. Pricing is based on "individual campus size" and cannot be applied to an entire system, e.g., UT System:

Pricing for EDUCAUSE Members

No of Student FTEs*	Total DIR Customer Price Student Reference	Total DIR Price Student Reference	Total DIR Customer Price Student Reference w/Advisor Access**	Total DIR Price Student Reference w/Advisor Access**	No. of Advisor Users Included	Extra Advisor Users	DIR Customer Price for Extra Advisor Users	DIR Price for Extra Advisor Users
0-3,999	7,500	7,350	9,500	9,310	1*	2 to 5	7,000	6,860
4,000–9,999	10,500	10,290	21,000*	20,580	2*	3 to 5	7,000	6,860
10,000+	16,500	16,170	27,000*	26,460	2*	3 to 5	7,000	6,860

^{*} Full-time Equivalent Students

Pricing for Non-EDUCAUSE Members

No of Student FTEs	Total DIR Customer Price Student Reference	Total DIR Price Student Reference	Total DIR Customer Price Student Reference w/Advisor Access	Total DIR Price Student Reference w/Advisor Access	No. of Advisor Users Included	Extra Advisor Users	DIR Customer Price for Extra Advisor Users	DIR Price for Extra Advisor Users
0 – 3,999	8,625	8,452	10,925	10,706	1*	2 to 5	7,000	6,860
4,000-9,999	12,075	11,833	24,150*	23,667	2*	3 to 5	7,000	6,860
10,000+	18,975	18,595	31,050*	30,429	2*	3 to 5	7,000	6,860

^{*}Each Advisor User includes one Symposium Ticket per bullet No. 5 under "Important Notes".

IMPORTANT NOTES (please read):

- 1. Additional (more than five) Advisor users available for additional fee of \$5,000 (Customer), \$4,900 (DIR) per user.
- 2. Advisor users will have access through gartner.com
- 3. The Advisor Users have un-metered analyst access.
- 4. Reference users will be available to all students, staff and faculty via gartner.com
- 5. The Advisor Access prices include one Symposium ticket per seat as indicated. Additional Symposium tickets may be purchased at the Texas State Contract Price.
- 6. Additional Advisor seats are additive, not aggregating
- 7. No additional discounts apply to this pricing

3. Decision Tools for Vendor Selection

Gartner Measurement offers a unique, dedicated service designed to help organizations make better, faster and more cost-effective decisions regarding IT product evaluation and selection. This service currently offers a portfolio of approximately 25 software-based Decision Driver models.

^{**}Each Advisor User includes one Symposium Ticket per bullet No. 5 under "Important Notes."

Each Decision Driver model encompasses a comprehensive set of evaluation criteria and objective vendor-specific data, enabling end users to conduct what-if analyses to determine which vendor is most appropriate for their particular situation. End user organizations make better, faster and more cost-effective decisions regarding vendor selection.

Product Overview. Decision Tools for Vendor Selection addresses the three key challenges that decision makers struggle with when making major IT acquisitions:

- Comprehensively identifies the key differentiating criteria from both a tactical and strategic perspective among vendor and product alternatives.
- Helps clients assign appropriate context and priority to a range of disparate variables involved in an IT evaluation.
- Provides clients with objective, validated data on which to base their selection.

This service combines ongoing analyst guidance with detailed product and vendor research. Gartner's Decision Engine, a software-based decision support tool provides easy access to fully comprehensive, validated data spanning the tactical and strategic considerations in an evaluation. At the same time, the software's what-if modeling capabilities allow clients to personalize vendor and product evaluations according to their own organization's preferences and priorities.

The analysts who support each Decision Driver model offer both subject matter expertise and best-practices guidance through all phases of the selection process. Analysts share with clients the principles of a structured selection methodology, and help project teams maintain control over a comprehensive and logical selection process—from conducting an internal needs assessment, through evaluating vendor offerings, to successfully negotiating with the vendors of choice.

Individual Model Sales to End Users- Access to a single Decision Driver model:

The Decision Tools for Vendor Selection Individual Model License programs allow organizations making a specific technology decision to purchase research and services that satisfy an immediate tactical need for assistance in a specific technology selection. Deliverables of this program are only available as a full year, or multi-year contract, and are based on providing access to one Decision Driver Model:

- Un-metered, standard business hour, support, for the specific model licensed, from industry experts.
- Gartner's Decision Engine (DE) a decision support software tool.
- Monthly data updates for the specific model licensed, including criteria, metrics and vendor performance reviews.
- Best-of-breed, technology specific, Request for Proposal (RFP) templates, for the specific model licensed.
- Unlimited, standard business hour, usability support.
- Selection Methodology
- Audioconference based usability training.

Strategic License Program Sales to End Users - Access to Multiple, Concurrently Used Decision Driver models: The Decision Tools for Vendor Selection Strategic License programs allow organizations making multiple technology decisions the benefit of a volume discount and the flexibility to exchange models as needed. Deliverables of this program are only available as a full year, or multi-year contract, and are based on providing concurrent access to one or more Decision Driver Model(s) simultaneously:

- Un-metered, standard business hour, support, interchangeable to different model areas on request, but limited to actual models in use and license provisions for concurrent model usage.
- Gartner's Decision Engine (DE)
- Monthly data updates, including criteria, metrics, and vendor performance reviews for the specific models requested, interchangeable to different model areas on request, but subject to a count of actual models in use, and license provisions for concurrent model usage.
- Best-of-breed, technology specific, Request for Proposal (RFP) templates, interchangeable to different model areas on request, but subject to a count of actual models in use and license provisions for concurrent model usage.
- Unlimited, standard business hour, usability support.
- Selection Methodology Guide
- Audioconference based usability training.

Note: Enterprise Resource Planning and Customer Relationship Management suites are not available under the SL-1 program.

Pricing

Gode	Description 2011		
Goue	DESCRIPTION OF THE PROPERTY OF	DIR Customer Price Per Copy	DIR Price Per Copy
AMR	Asset Management Repository	20,400	19,992
ASGA	Financial System Application Software	20,400	19,992
ASHR	Human Resources Application Software	20,400	19,992
CMS	Content Management Services	20,400	19,992
CNVS	Convergence Server Solutions	20,400	19,992
CRMAS	Customer Relationship Management Suite	36,720	35,985
CSAS	Customer Service and Support Software	20,400	19,992
CCIS	Contact Center Infrastructure Suite	28,560	27,989
CCIX	Contact Center Infrastructure Single Comp	20,400	19,992
CSD	Consolidated Service Desk	20,400	19,992
EBIS	E-Business Intelligence Model	20,400	19,992
EIPM	Enterprise Information Portal	20,400	19,992
ERPS	Enterprise Resource Planning Suite	36,720	35,985
ETL	Extraction transformation & Load	20,400	19,992
FAHR	Integrated Financials and Human Resources Software	28,560	27,989
IDMS	Integrated Document Management Software	20,400	19,992
IPCB	Intel-Based Hardware – Suite	28,560	27,989
IPCD	Intel-Class Hardware – Desktop	20,400	19,992
IPCM	Intel-Class Hardware – Notebook	20,400	19,992
MERP	Mid-Market ERP Software*	28,560	27,989
	*Not available for end user sale to organizations with more than \$1 Billion USD in Revenues	ŕ	·
MKAS	Marketing Automation	20,400	19,992
MFP	Multi-Functional Product	20,400	19,992
PRV	Provisioning-Accounts, Identities, Permissions, Web SSO	20,400	19,992
SFAS	Sales Force Automation	20,400	19,992
SPE	Enterprise Server Platforms	20,400	19,992

Other Decision Tool Pricing Options

STRATEGIC LICENSE PRICING MARINES, NO. 1992	Little Children	
Strategic License Type	DIR Customer Price	DIR Price
Decision Tools for Vendor Selection SL-1 (1 model) * *Note: CRMAS & ERPS models are not available to SL1 license holders	36,720	35,985
Decision Tools for Vendor Selection SL-2 (2 models)	53,040	51,979
Decision Tools for Vendor Selection SL-3 (3 models)	61,200	59,976
Decision Tools for Vendor Selection SL-4 (4 models)	77,520	75,969
Decision Tools for Vendor Selection SL-5 (5 models)	93,840	91,963
Decision Tools for Vendor Selection SL-6 (6 models)	106,080	103,958
Decision Tools for Vendor Selection SL-7 (7 models)	122,400	119,952
STRATEGIC LIGENSE ADDITIONAL ACCESS PRICE	NG PROGRAM	144

This program allows individual model sales in a way that allows clients to maximize value and to preserve their initial investment towards a possible upgrade. Clients have the ability to purchase individual Decision Driver models, while preserving 100 percent of the dollar value of that investment, for a 90-day period from receipt of their initial model, to be applied to the purchase of an eligible strategic license. The purchase of an additional, eligible strategic license (SL2 or above) will include a price reduction equal to the amount of the original individual model.

NOTE: The above prices exclude travel expenses, which will be billed separately when applicable.

Other Pricing Options/Considerations

TCO Manager, Review and Workshop Solution Pricing

Clients are free to "mix and match" any combination of the various *TCO Manager* options in order to achieve lower per license price points. The total number of user licenses that the client contracts for drives the client's eligible price.

4. Decision Tools for Cost Management - TCO Software

Gartner's industry-standard TCO Chart of Accounts is the foundation of the tool and provides the framework for the comparative analyses. The TCO® Manager software modeling tool allows you to analyze actual cost, personnel, workload and service-level data to derive actionable real-world comparisons. In addition, the tool has a sophisticated best practice predictive modeling capability.

This powerful and flexible software-modeling tool provides addresses the following areas and features:

- Distributed Computing desktop and LAN hardware, software and support
- Data Network elements related to the operation of wide-area data networks
- Voice Telecom elements related to the operation of wide-area voice networks
- Help Desk elements related to the operation of internal IT help desks
- Contact Center elements related to the operation of external contact centers/help desks
- Enterprise Operations Center elements related to the operation of mainframe and centralized systems and servers
- Enterprise Storage Management
- Calculations of your actual TCO and normalized unit costs as well as comparisons to peers in Gartner's database segmented by industry, size, geography and performance criteria
- Best practice simulations of proposed changes in operations and the resulting impact on costs and service levels
- Analysis and support of outsourced and retained environments
- Supports detailed analysis of personnel, workload and service-level information to help identify areas of
 opportunity to improve performance and control costs
- Automatically audits user inputs for reasonability
- Ability to compare multiple environments and perform thorough "what if" analyses based on accurate realworld observations
- Powerful reporting capability that generates professional, easy-to-understand management reports

Deliverables – Strategic License option

All Cost Management Strategic License levels have the same deliverables, see table below for detailed explanations.

TCO Manager Modeling Tool – Strategic License

Decision Tools for Cost Management are software-based data tools. TCO Manager Modeling Tools can serve as an excellent decision support tool for clients who have familiarity with TCO concepts and are comfortable performing Cost Management analyses on their own.

Review option

This product offers phone assistance for a one-off review of the results generated by the tool. Each review will last no longer than four hours. Phone support will also include on-going development and analysis of Cost Management scenarios. Clients may want to institute quarterly reviews. No on-site visit is included.

Other Pricing Options/Considerations

- TCO Manager, Review and Workshop Solution Pricing
- Clients are free to "mix and match" any combination of the various TCO Manager options in order to achieve
 lower per license price points. The client's eligible price is driven by the total number of user licenses that the
 client contracts for.
- TCO Manager Training
- Purchase of a software license includes a two-day Certified TCO Expert (CTE) training class to be held at a facility specified by Gartner. One attendee per license is entitled to go to CTE training. This training is bundled into the software. Should a client need to send additional attendees to a training site (public training) or wish to have training on-site for a number of attendees (private training), Gartner can offer these additional training sessions. The cost for public (Gartner's site) and private (client's site) training classes follows.
- Additional Public Training Classes for TCO Manager
- Clients wishing to send additional attendees to CTE training classes may do so for an additional \$2,020 (Customer), \$1,979 (DIR) per attendee per two-day class. Prices exclude travel expenses.
- Private Training Classes for TCO Manager
- Private training classes are available for an additional \$8,080 (Customer), \$7918 (DIR) for up to ten attendees
 for the two-day, on-site CTE class. Prices exclude travel expenses for analysts.

Decision Tools for Cost N	fanagement		· Giring	14. [1]	(60 (2886))	t est
Number of Software Copies / Licenses	DIR Customer Price per TCO Manager License	DIR Price per TCO Manager License	DIR Customer Price per TCO Manager Plus Review	DIR Price per TCO Manager Plus Review	DIR Customer Price per TCO Manager Plus Workshop	DIR Price per TCO Manager Plus Workshop
1 software license	17,452	17,103	23,462	22,993	33,663	32,990
2 to 5 software licenses	16,534	16,203	22,442	21,993	32,643	31,990
6 to 9 software licenses	15,610	15,298	21,422	20,993	31,523	30,892
10 to 20 software licenses	14,690	14,396	20,402	19,994	31,623	30,990
20+ software licenses	13,771	13,495	19,382	18,993	29,583	28,991

Strategic License	DIR Customer Price	DIR Price	
SL1 (1 concurrent user)	28,560	27,989	
SL2 (2 concurrent users)	39,984	39,184	
SL3 (3 concurrent users)	46,512	45,582	
Review option (1-off review)	2,040	1,999	

Products
TCO Manager Distributed Computing
TCO Manager Distributed Computing Review
TCO Manager Distributed Computing Workshop
TCO Manager Data Network
TCO Manager Data Network Review
TCO Manager Data Network Workshop
TCO Manager Voice Telecom
TCO Manager Voice Telecom Review
TCO Manager Voice Telecom Workshop
TCO Manager Contact Center
TCO Manager Contact Center Review
TCO Manager Contact Center Workshop
TCO Manager Help Desk
TCO Manager Help Desk Review
TCO Manager Help Desk Workshop
TCO Manager Enterprise Center Operations
TCO Manager Enterprise Operations Center Review
TCO Manager Enterprise Operations Center Workshop
TCOESM - TCO Manager Enterprise Storage Management
TCOESR - TCO Manager Enterprise Storage Management Review
TCO Manager Enterprise Storage Management Workshop
Strategic License Codes
TCO Strategic License 3
TCO Strategic License 4
TCO Strategic License Review

5. Total Value of Opportunity: A ROI Decision Tool for End Users (TVO)

Overview

TVO is a template-driven software tool based on the Gartner Business Performance FrameworkTM, a set of precisely defined business metrics that represent a complete and holistic view of an enterprise's operations and financial performance. This critical framework holistically evaluates how well a business is functioning from two inter-related dimensions: vertically – from executive to operational management perspectives, and horizontally – from business function to business function.

TVO makes it easy to baseline and monitor value delivery throughout the lifecycle of the investment -- so the TVO study stays an important part of the project even after the investment is decided.

How TVO Works

Step One

One of the unique aspects of the tool is its ability to align new IT opportunities to specific business goals and the resulting financial impact. This first critical step uses standard business metrics to understand the value of the opportunity that exists and quantify it in measurable business terms.

Step Two

The TVO tool maps the key IT capabilities that are going to be enabled with this solution to the key business metrics they are going to impact and calculates the financial benefit.

Step Three

The third step uses the Diagnostic capability of the tool to evaluate the organization's level of readiness in moving forward with the IT solution. Specific processes and other internal factors which may derail the project are examined, and a determination of the likelihood of success is made.

Quantitative and Qualitative results are presented to give a well-rounded perspective of the resulting benefits to the organization of this IT solution. Quantitative analysis is done by metric, and is presented by metric and the overall bottom line impact.

Product Scope

With budgets decreasing, IT departments are being asked to justify every budget dollar expended in terms of bottom-line effect. To address this critical need in the marketplace, Gartner thoroughly researched and defined the TVO approach based upon the Gartner Business Performance FrameworkTM. The result is a new software tool that facilitates a common dialogue between IT and business professionals.

ROI for information technology is typically questioned due to:

- Unrealistic business assumptions
- Costly, time-sensitive studies
- Perceived bias in vendor-driven ROI methodologies

TVO addresses these real-world challenges in a variety of ways:

- It is based on a set of universally recognized assumptions
- Analysis can be performed quickly and cost effectively
- Financial benefits determined completely without bias like all Gartner products
- Value delivery can be managed throughout the entire lifecycle of the business initiative

Price includes training at a Gartner designated site. Training can be provided at the client location if client agrees to pay for Gartner travel expenses. The number of people eligible for training is equal to the number of licenses purchased. Licenses are for 12 months.

	DIR Customer Price	DIR Price
TVO Initial License	28,563	27,992
TVO Additional Licenses	3,672	3,598

6. Gartner Measurement

Within most IT organizations there is remarkable room for improvement, whether it be outright savings or the reallocating of funds to functions of greater importance. But getting there takes awareness. And awareness takes measurement. Gartner Measurement, with the most reliable independent data in the IT world and the industry's most powerful suite of decision tools, can help you make the decisions that will make a difference.

Deliverables for Measurement Assessment Services

Each Rapid Assessment includes the following:

- Two Onsite meetings:
 - One full-day kickoff meeting, with up to 3 additional business days to assist with data gathering.
 - One full-day management presentation
- An annual license for TCO Manager software for one user, technical support and inquiry privileges. Licensed for one year and delivered on Compact Disk, TCO software allows the user to investigate the overall cost benefit of making one-time investments to reduce on going operating costs. This is the perfect tool for performing "what if" analyses on the IT operation.
- TCO certification training for one user

- Cost analysis using the TCO index
- Technology, Organization and Process (TOP) Model Analysis
- Comparison to Peer Organizations in the Gartner Measurement Database
- Strategies for Improved Performance (SIPs)
- Information Technology Annual Report
- Monthly Measure IT Newsletter
- Monthly Research Review
- Analyst Inquiry throughout the project

Note: Some specialized deliverables are included with specific benchmarks to address specific features of the assessment. For example, the customer satisfaction benchmark includes an online satisfaction survey. Another example is the data center benchmark, which includes workload-monitoring utilities. The following benchmarks are currently available:

Benchmark	DIR Customer	DIR
	Price	Price
IT Overview Analysis (4 modules)	50,500	49,490
Each additional module (For ITOA only)	6,888	6,750
IT Overview Analysis Roadmap	101,000	98,980
Each additional module (for ITOA Roadmap only)	11,938	11,699
Rapid Assessment (RA) for Distributed Computing	50,490	49,480
Rapid Assessment for Enterprise Operations Center	50,490	49,480
Rapid Assessment for Contact Center	50,490	49,480
Rapid Assessment for Contact Center - Single Overview Assessment	27,540	26,989
Rapid Assessment for Data Networks	50,490	49,480
Rapid Assessment for Help Desk	50,490	49,480
Rapid Assessment for Help Desk - Single Overview Assessment	27,540	26,989
Rapid Assessment for Help Desk - End to End Break / Fix Assessment, Price w/RA	18,362	17,995
Rapid Assessment for Help Desk - End to End Break / Fix Assessment, Standalone Price	27,540	26,989
Rapid Assessment for Voice Telecom	50,490	49,480
Rapid Assessment for Customer Satisfaction	41,314	40,488
Rapid Assessment for Enterprise Storage Mgmt	50,490	49,480
Rapid Assessment for Network Capacity Planning	50,490	49,480
Rapid Assessment for SAP	50,450	49,441
Rapid Assessment Enterprise Network & Telecom Solution	114,761	112,466
Rapid Assessment Wide Area Data	50,490	49,480
Rapid Assessment for Web Hosting Costs	50,490	49,480
Competitive Bid Assessment	27,540	26,989
Outsourcing Financial Assessment (Add-on to RA)	27,540	26,989
Rapid Assessment for AD Process Capability-Informal Assessment Level 2	22,958	22,499
Rapid Assessment for AD Process Capability - Formal Assessment Level 2	50,490	49,480
Quantitative Assessment (No CMM Assessment)	55,095	53,993
Informal CMM Assessment Four to Six projects/applications	55,095	53,993
Informal CMM Assessment Four to Six projects/applications + internal peer group	59,691	58,497
Informal CMM Assessment Full AD Portfolio	75,290	73,784
Formal CMM Assessment Four to Six projects/applications	80,800	79,184
Formal CMM Assessment Four to Six projects/applications + internal peer group	85,390	83,682
Formal CMM Assessment Full AD Portfolio	99,162	97,179

Amendment Number 4 to Volume Pricing Contract VPC-02-003 between Gartner, Incorporated and the State of Texas, acting by and through the Department of Information Resources

THIS AMENDMENT NUMBER 4 (Amendment) is hereby affixed to and shall become a part of Volume Pricing Contract Number DIR-VPC-02-003 (Contract), entered into between the State of Texas, acting by and through the Department of Information Resources (DIR) and Gartner, Incorporated (Gartner). This Amendment Number 4, as incorporated into the Contract, is subject to all terms, conditions, restrictions and limitations contained in the Contract not in conflict with this Amendment including the limitation of liability provision. The Contract is hereby modified as follows:

1. Section II of the Contract is amended to read as follows:

II. Permitted Use

- a. Existing paragraph shall be labeled "a."; the following sections are added
- b. Ownership of the Services. Customer agrees that Gartner or its licensors own the Services. Customer acknowledges that the Services in Exhibits I and III and the Program and Database (as defined in Section 5) are copyrighted by Gartner or its licensors and are protected by law. Gartner reserves all rights not granted under this Agreement.
- c. Use of the Services.
 - (i) Customer shall designate individually named user(s) who are licensed to use the Services in Exhibits I and III (each a "User"). Customer represents that it will limit access to the Services to the agreed upon number of Users. Customer may use the Services solely for its own internal purposes. Services are to be used solely for each User's individual business purposes.
 - (ii.) Except as set forth in this Agreement, and unless required by the Texas Public Information Act, Customer may not copy or reproduce the Services in any form or by any means, including but not limited to, information storage and retrieval systems, recordings and retransmittals, use in any timesharing, service bureau, bulletin board or similar arrangement or public display, without Gartner's written permission. Unless required by the Texas Public Information Act, Customer may not disclose, disseminate or distribute the Services to any other party. Customer may not publicly use or reprint excerpts from the Services without Gartner's prior written consent. Customer may purchase reprints of the Services at Gartner's then-current rates. Customer shall use all reprints in accordance with the terms of this Agreement.
 - (iii.) Access by Electronic Delivery. Upon payment of the applicable fees, Gartner will provide Customer with passwords to permit electronic access to the Services for up to the maximum number of Users licensed. Licensed Users can include Customer employees, contractors, consultants, and other third parties working on behalf of the Customer. Each User who accesses the Services by the Gartner Web site will receive a password. Unless otherwise stated, another User may not be substituted for the original User, without prior approval from Gartner. Such approval shall not be unreasonably witheld, and shall normally be approved within four (4) business hours of any State of Texas normal business day. A Customer may, in order to continue their business operations, continue to use the existing password until Gartner has issued a new password. Customer agrees to notify Gartner when a User is no longer entitled to use a password so that Gartner may cancel that password and issue a new password for a replacement User, if any. Customer agrees that Users may not share passwords. Each User may print one copy of Gartner research for the User's personal use. Users may circulate copies of the Services, electronic or otherwise, only to other Users. Such copies may not be further reproduced or distributed.

2. Section XXIII is hereby restated as follows:

XXIII. Confidentiality Clause

Gartner acknowledges that DIR is a government agency subject to the Texas Public Information Act. Gartner also acknowledges that DIR will comply with the Public Information Act, and with all opinions of the Texas Attorney General's office concerning this Act. Gartner shall not re-sell or otherwise distribute or release to any party in any manner, Customer information. With prior written approval from the Customer for each engagement, Gartner may include customer information obtained in the course of providing services to a Customer in its databases and research with the understanding that Customer's identity will not be revealed.

3. Exhibit 3 of the Contract is amended to include Section 7 as follows:

7. Inquiry Access

Access to Gartner analysts can be purchased in blocks of 5 inquiries per block. Through inquiry, clients have access to 700 of the brightest minds in the industry. When clients call or e-mail their questions to a client inquiry specialist, top experts will handle their inquiries rapidly and thoughtfully. Gartner analysts assist entitled clients in applying thought leading research to their specific environment. When clients need answers to important questions, the Gartner analyst team becomes an extension to clients' specialist staff.

The stand-alone Inquiry Access Program extends access to Gartner analysts to existing Gartner Core Research seat holders who are not entitled to inquiry (i.e., Reference users) for the purpose of enabling occasional inquiry. The Program is also used to add inquiry to Dataquest Select contracts, which initially come with five inquiries per seat. The following requirements apply:

- Client must maintain 10 or more Core Research seats (per contract) to qualify. They can include any combination of Reference, Advisor or EXP seats.
- No discounting is allowed.
- Inquiry Access must be sold in pre-defined increments of 5, 10 or 20 instances.
- Inquiry Access must be used within 12 months of purchase or they expire.
- Access must be coterminous with Core Research and has a minimum term of 12 months.

Blocks	DIR Customer Price	DIR Price
5	4,590	4,500
10	9,180	9,000
20	18,360	18,000

4. All other terms and conditions of the Contract not specifically amended herein shall remain in full force and effect. In the event of conflict among provisions of the documents, the order of precedence shall be the Fourth Amendment, Third Amendment, Second Amendment, First Amendment, and the Contract. This Amendment Number 4 is executed to be effective as of the date of the last party to sign.

Gartner, Incorporated Authorized Signature Francis T. Murphy Director, Government Contracts	State of Texas, acting by and through the Department of Information Resources Patrick W. Hogan Director, Business Operations
Title /o/30/03 Date	$\frac{10 / 70 / 63}{\text{Date}}$ Legal $\frac{10 / 70 / 63}{10 / 70 / 63}$